

REMARKS

Claims 1-11, 19, 21-22, and 32-35 are pending in the above-identified application. Claims 1, 19, and 32 have herewith been amended and claim 33 cancelled. The Amendments to the claims are supported by the application as filed and therefore do not add new matter. Accordingly, entry of the amendments is respectfully requested.

Applicants have amended the claims to recite particular embodiments that Applicants, in their business judgment, have determined to be commercially desirable at this time. The claim amendments have not been submitted for any reason relating to patentability, such as to overcome any one or more of the Examiner's rejections. Indeed, Applicants believe that the Examiner has not established a prima facie showing to support the Examiner's rejections and, as such, Applicants reserve the right to pursue the subject matter of the previously presented, and of the previously or currently cancelled claims in one or more continuing applications.

Claim Rejections – 35 U.S.C. § 102

In the Office Action dated September 25, 2006, the Examiner rejects claims 1-11, 19, 21-22, and 32-33 under 35 U.S.C. § 102(e) as being anticipated by U.S. Patent No. 6,230,147 (Alaia *et al.*). Applicants respectfully traverse.

Claim 1 is directed toward a method that includes the step or steps of "starting a cooling off period timer when a difference between a price of the first bid or offer and a price of a second bid or offer replacing the first bid or offer is greater than a predetermined amount; receiving from a buyer or seller, during the cooling offer period, an order to buy or sell the item; and suspending the order to buy or sell the item for the buyer or seller to notice a change in the first bid or offer and the second bid or offer prices." Applicants submit that Alaia fails to disclose or otherwise suggest this feature.

Alaia discusses failsafe rules that either require additional bid confirmations before a bid is entered or prevent the bid from being entered entirely. (Col. 10, lines 24-29). The failsafe rules include limiting the bidder from placing bids below 20% of their immediately preceding bid. (Col. 26, lines 34-40). As such, Alaia merely either asks the bidder to confirm the second bid or prevents the bid from being entered. Alaia does not start a cooling off period when a price difference between a first and second bid or offer prices is

greater than a predetermined amount. Accordingly, Alaia does not suspend buy or sell orders received during the cooling off period started when such a determination is made in accordance with claim 1.

The Examiner asserts that Alaia discloses suspending trading during the cooling off period with reference to (Col. 18, lines 1-15). Applicants respectfully disagree. At (Col. 18, lines 1-15), Alaia discusses an auction pause function that allows auctions coordinators to freeze an auction “indefinitely”. (Col. 18, lines 1-15). Alaia's pause function is therefore voluntary in terms of both when the pause is applied and when the pause is removed. In contrast, claim 1 suspends orders received during a cooling off period, which is started when a difference between a price of the first bid or offer and a price of the second bid or offer replacing the first bid or offer is greater than a predetermined amount.

Independent claims 19 and 32 recite features similar to those in claim 1 and are therefore patentable for at least the same reasons.

The dependent claims are patentable for additional reasons. While deemed unnecessary to argue these additional reasons at this time, given the arguments presented above, Applicants reserve the right to present such argument, including the interpretation of any terms of the claims, should it become necessary or desirable to do so.

CONCLUSION

For the above reasons, Applicants submit that claimed methods and systems are patentable over the references cited by the Examiner. Accordingly, reconsideration and allowance of pending claims are respectfully solicited.

The Examiner is invited to contact the Applicant's undersigned representative at 212-829-5407 to expedite prosecution.

Respectfully submitted,

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